

Houma-Terrebonne Housing Authority

**Financial Statements
(With Supplementary Information)
and Independent Auditor's Report**

September 30, 2013

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

APR 23 2014

Release Date _____

Houma-Terrebonne Housing Authority

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Independent Auditor's Report

To the Board of Commissioners
Houma-Terrebonne Housing Authority

Report on the Financial Statements

We have audited the accompanying financial statements of the Houma-Terrebonne Housing Authority as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Houma-Terrebonne Housing Authority's basic financial statements as listed in the index.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Houma-Terrebonne Housing Authority as of September 30, 2013, and the changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 6 through 10 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The HUD financial data schedule, public housing budget vs. actual comparison, schedule of Capital Fund costs - uncompleted, and certification of actual modernization costs and advances - Capital Fund Program are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is not a required part of the basic financial statements.

The schedule of expenditures of federal awards, HUD financial data schedule, and actual certificate of modernization and development costs - Capital Fund Program on pages 33 through 48, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the

United States of America. In our opinion the schedule of expenditures of federal awards, HUD financial data schedule, and actual certificate of modernization and development costs - Capital Fund Program, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2014, on our consideration of the Houma-Terrebonne Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Houma-Terrebonne Housing Authority's internal control over financial reporting and compliance.

CohnReznick LLP

Charlotte, North Carolina
March 28, 2014

Houma-Terrebonne Housing Authority
Management's Discussion and Analysis
September 30, 2013

The management's discussion and analysis of the Houma-Terrebonne Housing Authority's financial performance provides an overview of the Authority's financial activities for the fiscal year ended September 30, 2013. Please read it in conjunction with the financial statements, which begin on page 11.

Financial Highlights

- The assets of the Authority exceeded its liabilities at September 30, 2013 by approximately \$12,866,000 (net position), representing a decrease of approximately \$996,000, or 7.2 percent, from September 30, 2012.
- The Authority's unrestricted cash balance at September 30, 2013 was approximately \$918,000, representing a decrease of approximately \$20,000, or 2.1 percent, from September 30, 2012.
- The Authority had total revenue of approximately \$3,551,000 and total expenses of approximately \$4,547,000 for the year ended September 30, 2013.
- The Authority's capital asset additions for the year were approximately \$661,000.

Using this Annual Report

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of two components: (1) fund financial statements, and (2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The Authority is a special-purpose government engaged only in a business-type activity. Accordingly, only fund financial statements are presented as the basic financial statements.

The financial statements are designed to provide readers with a broad overview of the Authority's finances in a manner similar to a private sector business.

The statement of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating, or otherwise changing in a dramatic manner.

The statement of revenue, expenses and changes in net position presents information detailing how the Authority's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, (e.g., depreciation and earned but unused vacation leave).

Houma-Terrebonne Housing Authority
Management's Discussion and Analysis
September 30, 2013

The statement of cash flows provides information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, and financing activities.

These financial statements report on the functions of the Authority that are principally supported by intergovernmental revenues. The Authority's function is to provide decent, safe, and sanitary housing to low-income and special needs populations, which is primarily funded with grant revenue received from the U.S. Department of Housing and Urban Development (HUD).

Major Programs

The Authority has multiple programs that are consolidated into a single enterprise fund. The major programs consist of the following:

Low Rent Public Housing - Under the Low Rent Public Housing Program, the Authority rents units it owns to low-income families. The Low Rent Public Housing Program is operated under an Annual Contribution Contract (ACC) with HUD, and HUD provides an operating subsidy to enable the Authority to provide housing at a rent that is based upon 30 percent of adjusted gross household income.

Capital Fund Program (CFP) - The Low Rent Public Housing Program also includes the CFP which is the primary funding source for the Authority's physical and management improvements. CFP funding is based on a formula allocation that takes into consideration the size and age of the Authority's housing stock.

Financial Analysis

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Authority, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Authority has only one fund type, namely an enterprise fund which is a proprietary fund type. The financial statements can be found on pages 11 through 15 of this report.

Notes to the Financial Statements

Notes provide additional information essential to a full understanding of the data provided in the financial statements. Notes to the financial statements can be found on pages 16 through 26 of this report.

Houma-Terrebonne Housing Authority
Management's Discussion and Analysis
September 30, 2013

Statements of Net Position

The following table represents the condensed Statements of Net Position as of September 30, 2013 and 2012:

	<u>2013</u>	<u>2012</u>
Current assets	\$ 1,612,167	\$ 1,532,444
Restricted assets	848,534	1,087,600
Capital assets	<u>12,320,280</u>	<u>13,112,411</u>
 Total assets	 <u>\$ 14,780,981</u>	 <u>\$ 15,732,455</u>
 Current liabilities	 \$ 1,068,695	 \$ 654,926
Long-term liabilities	<u>846,604</u>	<u>1,216,057</u>
 Total liabilities	 <u>1,915,299</u>	 <u>1,870,983</u>
 Net position		
Net investment in capital assets	10,719,790	11,602,223
Restricted net position	781,559	568,565
Unrestricted net position	<u>1,364,333</u>	<u>1,690,684</u>
 Total net position	 <u>12,865,682</u>	 <u>13,861,472</u>
 Total liabilities and net position	 <u>\$ 14,780,981</u>	 <u>\$ 15,732,455</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Authority, assets exceeded liabilities by approximately \$12,866,000 at September 30, 2013 and \$13,861,000 at September 30, 2012.

By far the largest portion of the Authority's net position reflects its investments in capital assets (e.g., buildings, machinery, and equipment). The Authority uses these capital assets to provide housing services to residents; consequently, these assets are not available for future spending. The unrestricted net position of the Authority is available for future use to provide program services.

Houma-Terrebonne Housing Authority

**Management's Discussion and Analysis
September 30, 2013**

Statements of Revenues, Expenses, and Changes in Net position

The following table reflects the condensed Statements of Revenues, Expenses, and Changes in Net Position for the years ended September 30, 2013 and September 30, 2012:

	2013	2012
Net tenant rental revenue	\$ 1,468,579	\$ 1,421,246
HUD operating grants	1,544,187	1,629,243
HUD capital grants	245,476	511,409
Insurance proceeds	230,000	-
Other revenue	62,567	83,120
Total revenue	<u>3,550,809</u>	<u>3,645,018</u>
Operating expenses	3,015,419	3,101,648
Depreciation expense	1,455,409	1,415,797
Interest expense	75,771	94,240
Total expenses	<u>4,546,599</u>	<u>4,611,685</u>
Net increase (decrease)	(995,790)	(966,667)
Net position - beginning of year	<u>13,861,472</u>	<u>14,828,139</u>
Net position - ending of year	<u><u>\$ 12,865,682</u></u>	<u><u>\$ 13,861,472</u></u>

The net position of the Authority decreased by approximately \$996,000 and \$967,000 during the years ended September 30, 2013 and September 30, 2012, respectively. The Authority's revenues are largely governmental revenues received from cost reimbursement grants. The Authority draws down monies from the grants' awards for allowable program expenses, except for non-cash transactions, such as depreciation expense and changes in compensated absences

Houma-Terrebonne Housing Authority
Management's Discussion and Analysis
September 30, 2013

Capital Assets

As of September 30, 2013 and 2012, the Authority's investment in capital assets for its business-type activity was approximately \$12,320,000 and \$13,112,000 (net of accumulated depreciation), respectively, as reflected in the following schedule:

	<u>2013</u>	<u>2012</u>
Land	\$ 1,037,871	\$ 688,371
Buildings and improvements	41,000,178	40,702,765
Furniture and equipment - dwelling	292,430	301,857
Furniture and equipment - administrative	711,291	715,128
Accumulated depreciation	<u>(30,721,490)</u>	<u>(29,295,710)</u>
Total	<u>\$ 12,320,280</u>	<u>\$ 13,112,411</u>

Major capital asset purchases during the years ended September 30, 2013 and 2012 include primarily dwelling structure improvements.

Additional information on the Authority's capital assets can be found in Note 6 on page 23 of this report.

Economic Factors and Next Year's Budgets and Rates

The Authority is primarily dependent upon HUD for the funding of operations; therefore, the Authority is affected more by the Federal budget than by local economic conditions. The budgets for 2013 and 2014 have already been approved by HUD.

Future Events That Will Financially Impact the Authority

During the years ended September 30, 2013 and 2012, approximately 50 and 59 percent, respectively, of the Authority's revenues come from governmental grants.

Contacting the Authority's Financial Management

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director, Houma-Terrebonne Housing Authority, 7491 Park Avenue, Houma, LA 70364, or call (985) 876-4755.

Houma-Terrebonne Housing Authority

Statement of Net Position
September 30, 2013

Assets

Current assets

Cash and cash equivalents - unrestricted	\$ 917,859
Investments	252,626
Accounts receivable - tenants - net of allowance	7,941
Accounts receivable - HUD	208,180
Accounts receivable - FEMA	66,806
Accounts receivable - other - net of allowance	5,949
Prepaid expenses	152,806

Total current assets 1,612,167

Restricted assets

Cash and cash equivalents - restricted	577,580
Cash and cash equivalents - tenant security deposits	66,975
Investments - restricted	203,979

Total restricted assets 848,534

Capital assets

Land	1,037,871
Buildings and improvements	41,000,178
Furniture, equipment and machinery - dwelling	292,430
Furniture, equipment and machinery - administration	711,291

43,041,770
Less: accumulated depreciation (30,721,490)

Total capital assets 12,320,280

Total assets \$ 14,780,981

Houma-Terrebonne Housing Authority

Statement of Net Position
September 30, 2013

Liabilities and Net Position

Current liabilities	
Accounts payable	\$ 42,948
Accrued expenses	34,108
Accrued interest payable	703
Unearned revenue	443,556
Other current liabilities	86,287
Accrued compensated absences - current portion	27,206
Tenant security deposits	66,975
Current portion of obligation under capital lease	<u>366,912</u>
Total current liabilities	<u>1,068,695</u>
Long-term liabilities	
Obligation under capital lease - net of current portion	796,078
Accrued compensated absences - net of current portion	<u>50,526</u>
Total long-term liabilities	<u>846,604</u>
Total liabilities	<u>1,915,299</u>
Net position	
Net investment in capital assets	10,719,790
Restricted net position	781,559
Unrestricted net position	<u>1,364,333</u>
Total net position	<u>12,865,682</u>
Total liabilities and net position	<u>\$ 14,780,981</u>

See Notes to Financial Statements.

Houma-Terrebonne Housing Authority

Statement of Revenues, Expenses and Changes in Net Position
Year Ended September 30, 2013

Operating revenue	
Dwelling rent	\$ 1,468,579
HUD operating grants	1,544,187
Other income	<u>100,780</u>
Total operating revenue	<u>3,113,546</u>
Operating expenses	
Administrative	666,653
Tenant services	145,632
Utilities	728,820
Maintenance and operations	852,672
Protective services	109,048
General	65,841
Insurance premiums	422,358
Depreciation	<u>1,455,409</u>
Total operating expense	<u>4,446,433</u>
Operating income (loss)	<u>(1,332,887)</u>
Non-operating revenue (expenses)	
Interest income	4,783
Interest expense	(75,771)
Loss on disposition of capital assets	(42,996)
Casualty losses	(24,395)
Legal settlement proceeds	<u>230,000</u>
Total non-operating revenue (expenses)	<u>91,621</u>
Income (loss) before capital grants	<u>(1,241,266)</u>
Capital grants	
HUD capital grants	<u>245,476</u>
Total capital grants	<u>245,476</u>
Change in net position	(995,790)
Net position - beginning	<u>13,861,472</u>
Net position - ending	<u><u>\$ 12,865,682</u></u>

See Notes to Financial Statements.

Houma-Terrebonne Housing Authority

Statement of Cash Flows Year Ended September 30, 2013

Cash flows from operating activities	
Dwelling rent receipts	\$ 1,458,921
Operating subsidy and grant receipts	1,538,102
Other income receipts	<u>95,043</u>
Total receipts	<u>3,092,066</u>
Payments to vendors	(2,022,767)
Payments to employees	<u>(945,409)</u>
Total disbursements	<u>(2,968,176)</u>
Net cash provided (used) by operating activities	<u>123,890</u>
Cash flows from investing activities	
Proceeds from legal settlement	230,000
Increase in investments	(2,520)
Investment income	<u>4,967</u>
Net cash provided (used) by investing activities	<u>232,447</u>
Cash flows from capital and related financing activities	
Capital grant receipts	351,132
Capital asset additions	(283,050)
Casualty losses - non-capitalized	(24,395)
Interest paid	(75,981)
Proceeds from disposition of capital assets	14,276
Decrease in obligation under capital lease	<u>(347,198)</u>
Net cash provided (used) by capital and related financing activities	<u>(365,216)</u>
Net increase (decrease) in cash	(8,879)
Cash and cash equivalents, beginning	<u>1,571,293</u>
Cash and cash equivalents, ending	<u>\$ 1,562,414</u>
Significant noncash investing activities	
During the year ended December 31, 2013, the Authority received donated property subject to eligibility restrictions, as further described in Note 15, which increased capital assets:	
Land	\$ (349,500)
Buildings and improvements	(88,000)
Unearned revenue	<u>437,500</u>
	<u>\$ -</u>
Reconciliation to Balance Sheet:	
Cash and cash equivalents - unrestricted	\$ 917,859
Cash and cash equivalents - restricted	577,580
Cash and cash equivalents - tenant security deposits	66,975
Total	<u>\$ 1,562,414</u>

Houma-Terrebonne Housing Authority

Statement of Cash Flows Year Ended September 30, 2013

Reconciliation of operating income (loss) to net
cash provided (used) by operating activities

Operating income (loss)	\$ (1,332,887)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
Depreciation	1,455,409
Changes in asset and liability accounts	
(Increase) decrease in assets	
Accounts receivable - tenants	(847)
Accounts receivable - HUD	(1,066)
Prepaid expenses	54,794
Other assets	(4,541)
Notes receivable	(1,196)
Increase (decrease) in liabilities	
Accounts payable	(36,688)
Accrued expenses	(13,875)
Tenant security deposits	2,025
Unearned revenue	(5,019)
Other current liabilities	12,012
Accrued compensated absences	<u>(4,231)</u>
Total adjustments	<u>1,456,777</u>
Net cash provided (used) by operating activities	<u><u>\$ 123,890</u></u>

See Notes to Financial Statements.

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

Note 1 - Organization and nature of Operations

Organization

The Houma-Terrebonne Housing Authority (the Authority) was created by Act 80 of the 2001 Regular Session of the Louisiana Legislature and is the successor to the Housing Authority of the City of Houma. The Authority, a public corporate body, was organized solely for the purpose of providing decent, safe and sanitary dwelling accommodations for persons of low income.

The Authority is engaged in the acquisition, modernization and administration of low-rent housing. In addition, the Authority has administrative responsibility for various other community development programs whose primary purpose is the development of viable urban communities by providing decent housing, a suitable living environment and economic opportunities principally for persons of low and moderate income.

The Authority is administered by a five-member governing Board of Commissioners (the Board), whose members are appointed by the President of the Terrebonne Parish Consolidated Government. At least one commissioner appointed shall be a resident living in a housing development property operated by the Authority. Each member serves a five-year term on a rotating basis. Board members do not receive compensation for their service to the Authority.

A significant amount of the Authority's revenue is derived from subsidy contracts with the U.S. Department of Housing and Urban Development (HUD). The Annual Contributions Contracts entered into by the Authority and HUD provides operating subsidies for Authority-owned public housing facilities. As of September 30, 2013, the Authority operates 517 public housing units. The Authority also participates in HUD's Capital Fund Program.

Reporting entity

Governmental Accounting Standards Board standards establish criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the Authority is legally separate and fiscally independent, the Authority is a separate governmental reporting entity.

The Authority is a related organization of the Terrebonne Parish Consolidated Government since its President appoints a voting majority of the Authority's governing board. The Terrebonne Parish Consolidated Government is not financially accountable for the Authority as it cannot impose its will on the Authority and there is no potential for the Authority to provide financial benefit to, or impose financial burdens on, the Terrebonne Parish Consolidated Government. Accordingly, the Authority is not a component unit of the financial reporting entity of the Terrebonne Parish Consolidated Government.

The Authority includes all funds, account groups, activities, et cetera, that are within the oversight responsibility of the Authority.

Certain units of local government over which the Authority exercises no oversight responsibility, such as the parish police jury, school board, and municipalities within the parish, are excluded from the accompanying financial statements. These units of

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

government are considered separate reporting entities and issue financial statements separate from those of the Authority. In addition, the accompanying financial statements do not include any various tenant associations that may exist, which are legally separate entities.

As required by governmental accounting principles generally accepted in the United States of America, the basic financial statements of the reporting entity include those of the primary government, the Houma-Terrebonne Housing Authority, and any component units. The following is a blended component unit of the Authority:

- Houma Terrebonne Economic and Community Development Corporation (HTECDC)
 - a nonprofit organization that was organized to promote the furtherance of community development with a principal purpose of acquiring, constructing, developing, improving, maintaining, owning, and operating elderly housing developments, family housing, scattered site, and other type developments.

A component unit is a separate legal entity for which elected officials of a primary government are financially accountable for the entity, or the nature and significance of the relationship between the entity and a primary government are such that to exclude the entity from the financial reporting entity would render the basic financial statements misleading or incomplete.

In determining how to define the reporting entity, management has considered all potential component units. The decision to include a component unit in the reporting entity was made by applying the criteria set forth in Section 2100 and 2600 of the Governmental Accounting Standards Board (GASB) Codification and GASB Statement 61, Financial Reporting Entity: Omnibus - and amendments of GASB Statements No. 14 and No. 34. These criteria include manifestation of oversight responsibility including financial accountability, appointment of voting majority, imposition of will, financial benefit to or burden on a primary organization, financial accountability as a result of fiscal dependency, potential for dual inclusion, and organizations included in the reporting entity although primary organization is not financially accountable.

Programs administered by the Authority

The Authority administers annual contribution contracts to provide low-income housing with primary financial support from HUD. Programs administered by the Authority are as follows:

Low Rent Public Housing

The Authority owns, operates and maintains 517 units of Public Housing in 2 properties located in Houma, Louisiana. Under the Low Rent Public Housing Program, low-income tenants pay monthly rents, which are determined by their need for assistance. Revenues consist primarily of rents and other fees collected from tenants and an Operating Subsidy from HUD.

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

Capital Fund Programs

Funds from the Capital Fund Program (CFP) provided by HUD are used to maintain and improve the Public Housing portfolio. Substantially all additions to land structures and equipment for these properties are accomplished through the use of capital grant funds.

Note 2 - Significant accounting policies

Basis of presentation

In accordance with both the Louisiana State Reporting Law (LAS-R.S.24:514) and the uniform financial reporting standards for HUD housing programs, the accompanying financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Fund accounting

The Authority uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

Based upon compelling reasons offered by HUD, the Authority reports under the proprietary fund type (enterprise fund). The enterprise fund emphasizes the flow of economic resources as a measurement focus. In this fund, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

The enterprise method is used to account for those operations that are financed and operated in a manner similar to private business, or where the Board has decided that the determination of revenues earned, costs incurred, and/or net income necessary for management accountability is appropriate. The intent of the governing body is that the costs (expenses including depreciation) of providing services to the general public on a continuing basis be financed or recovered primarily through funding from HUD and charges to residents for rent and other fees.

All of the Authority's programs are accounted for as one business-type activity reported in a single enterprise fund.

Operating revenues and expenses

Operating revenues and expenses consist of those revenues and expenses that result from the ongoing principal operations of the Authority. Operating revenues consist of tenant rents and fees and HUD operating grants. Non-operating revenues consist of interest income and other non-operating revenues. Non-operating expenses consist of interest expense.

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

Budgets

The Authority is required by its HUD Annual Contributions Contracts to adopt annual budgets for the Low-Rent Housing Program. Annual budgets are not required for the Capital Fund Program grants as their budgets are approved for the length of the project. Both annual and project length budgets require grantor approval.

The Authority is under a limited budget review from HUD with the control category of total operating expenditures. If there are no overruns of the total operating expenditures, then HUD does not require budget revisions other than when there are substantial additions to non-routine expenditures.

The budget is prepared on a statutory (HUD) basis and does not contain a provision for uncollectible tenant receivables or depreciation.

Cash and cash equivalents

Cash and cash equivalents include amounts in demand deposits, interest-bearing demand deposits, and time deposits and other investments with original maturities of 90 days or less. Under state law, the Authority may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other State of the United States, or under the laws of the United States.

Investments

Investments are limited by Louisiana State Revised Statute R.S. 33:2955 and the Authority's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are carried at cost which approximates fair market value.

Tenant receivables

Tenant receivables are reported net of an allowance for doubtful accounts. The Authority's estimate of the allowance is based on historical collection experience and a review of the current status of tenant accounts receivable. It is reasonably possible that management's estimate of the allowance will change.

Prepaid items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital assets

Land, buildings, furniture, equipment, and machinery are carried at historical costs. Donated assets are recorded at fair market value at the date of donation. Depreciation is recorded on the straight-line method over the following estimated useful lives:

Buildings	33 years
Building improvements	15 years
Furniture, equipment and machinery	5 - 7 years

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

Impairment of long-lived assets

The Authority accounts for impairments in accordance with GASB No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. Under the provisions of the statement, prominent events or changes in circumstances affecting capital assets are required to be evaluated to determine whether impairment of a capital asset has occurred. Impaired capital assets that will no longer be used should be reported at the lower of carrying value or fair value. Impairment of capital assets with physical damage generally should be measured using the restoration cost approach, which uses the estimated cost to restore the capital asset to identify the portion of the historical cost of the capital asset that should be written off. No such impairment loss was incurred during the year ended September 30, 2013.

Restricted net position

Net position is reported as restricted when constraints placed on net asset use are either: externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, imposed by law through constitutional provisions or enabling legislation. When restricted and unrestricted resources are available, it is the Authority's policy to use restricted net position first.

Compensated absences

The Authority employees accrue personal leave, or compensated absences, by a prescribed formula based on length of service.

Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Inter-program receivables and payables

Inter-program receivables/payables are all classified as either current assets or current liabilities, and are the result of the use of a common cash account as the paymaster for shared costs of the Authority. Cash settlements are made periodically, and all inter-program balances are reconciled. These inter-program receivables and payables have been eliminated in the preparation of the basic financial statements. The detail by program can be found in the Financial Data Schedule included in the supplemental information to this report.

New accounting pronouncements

During fiscal year 2013, the Authority implemented the following new accounting standards issued by the GASB:

GASB Statement 61, Financial Reporting Entity: Omnibus-an amendment of GASB Statements No. 14 and No. 34, results in financial reporting entity financial statements being more relevant by improving guidance for including, presenting, and disclosing

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

information about component units and equity interest transactions of a financial reporting entity. The adoption of this statement had no effect on how the Authority defined itself as a reporting entity in the current year, as described in Note 1.

GASB Statement 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, improves financial reporting by contributing to the GASB's efforts to codify all sources of generally accepted accounting principles for state and local governments so that they derive from a single source. The adoption of this statement does not have a material effect on the Authority in the current year.

GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, improves financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effects on a government's net position. The adoption of this statement does not have a material effect on the Authority in the current year.

Future accounting pronouncements that will be adopted by the Authority in subsequent reporting periods:

GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, will be effective for the Authority for the fiscal year beginning October 1, 2013. Management has completed its assessment of this statement and does not believe that it will have a material effect on the financial statements of the Authority.

Note 3 - Cash and Investments

Cash equivalents

It is the Authority's policy for deposits to be secured by collateral valued at market or par, whichever is lower, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance.

Investments

Investments consist of certificates of deposits. It is the policy of the Authority that investments be secured by collateral valued at market or par, whichever is lower, less the amount of FDIC insurance.

Risks

Interest rate risk - in accordance with its investment policy, the Authority manages its exposure to decline in fair values by limiting its investments to those allowed by HUD and its portfolio maturity to less than three years.

Custodial Credit Risk - This is the risk that in the event of a bank failure, the Authority's deposits and investments may not be returned to it. As of September 30, 2013, \$1,393,269 of the Authority's deposits and investments were exposed to this risk because the amounts were in excess of FDIC insurance limits and the accounts were collateralized with securities held by the pledging financial institution in the Authority's name. The Authority's procedures for protecting the value of its investments by having uninsured deposits fully

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

secured by obligations of the U.S. government and its agencies are in accordance with HUD and state policies. The following schedule summarizes the custodial credit risk:

	Balance Reported on the Authority's Financial Statements	Balance Deposited with the Financial Institution	FDIC Insurance	Uninsured Amount (Fully Collateralized)
Bank deposits	\$ 1,562,414	\$ 1,643,269	\$ 250,000	\$ 1,393,269
Certificates of deposit	456,605	252,626	252,626	-
Total	<u>\$ 2,019,019</u>	<u>\$ 1,895,895</u>	<u>\$ 502,626</u>	<u>\$ 1,393,269</u>

Cash and investments are reported on the statement of net position as follows:

Cash and cash equivalents - unrestricted	\$ 917,859
Cash and cash equivalents - restricted	577,580
Cash and cash equivalents - tenant security deposits	<u>66,975</u>
Total cash and cash equivalents	1,562,414
Investments - unrestricted	252,626
Investments - restricted	<u>203,979</u>
Total	<u>\$ 2,019,019</u>

Note 4 - Receivables

Receivables at September 30, 2013 are as follows:

Class of Receivables	Low Rent Program	Capital Fund Program	FEMA Public Assistance Grant Program	Business Activities	Total
Local sources:					
Tenants	\$ 7,976	\$ -	\$ -	\$ 440	\$ 8,416
Less allowance for doubtful accounts	<u>(128)</u>	<u>-</u>	<u>-</u>	<u>(347)</u>	<u>(475)</u>
Tenants, net	7,848	-	-	93	7,941
Fraud recovery	2,889	-	-	-	2,889
Interest receivable	109	-	-	-	109
Tenant repayment agreements	1,196	-	-	-	1,196
Insurance proceeds receivable	1,755	-	-	-	1,755
Federal sources:					
Due from HUD	1,066	207,114	-	-	208,180
Due from FEMA	<u>-</u>	<u>-</u>	<u>66,806</u>	<u>-</u>	<u>66,806</u>
Total	<u>\$ 14,863</u>	<u>\$ 207,114</u>	<u>\$ 66,806</u>	<u>\$ 93</u>	<u>\$ 288,876</u>

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

Note 5 - Unearned Revenue

As of September 30, 2013, unearned revenue consisted of prepaid tenant rents of \$6,056 and unearned revenue of \$437,500 for the donation of several properties as furthered described in Note 15.

Note 6 - Capital assets

The following is a summary of changes in capital assets during the fiscal year ended September 30, 2013:

	Balance 9/30/2012	Additions	Deletions	Balance 9/30/2013
Land	\$ 688,371	\$ 349,500	\$ -	\$ 1,037,871
Buildings and improvements	40,702,765	357,413	(60,000)	41,000,178
Furniture, equipment and machinery-				
Dwelling	301,857	6,680	(16,107)	292,430
Administration	715,128	6,957	(10,794)	711,291
Total	42,408,121	720,550	(86,901)	43,041,770
Accumulated depreciation	(29,295,710)	(1,455,409)	29,629	(30,721,490)
Capital assets - net	<u>\$ 13,112,411</u>	<u>\$ (734,859)</u>	<u>\$ (57,272)</u>	<u>\$ 12,320,280</u>

Note 7 - Accounts payable and accrued expenses

Accounts payable and accrued expenses at September 30, 2013 are as follows:

	Central Office Cost Center	Low Rent Program	Capital Fund Program	Total
Accounts payable				
Vendors	\$ 5,412	\$ 25,240	12,296	\$ 42,948
Accrued expenses				
Payroll	11,364	22,744	-	34,108
Other current liabilities				
Accrued utilities	198	59,242	26,847	86,287
Total	<u>\$ 16,974</u>	<u>\$ 107,226</u>	<u>\$ 39,143</u>	<u>\$ 163,343</u>

Note 8 - Capital lease

The Authority financed certain improvements to its facilities via a long-term capital lease. These improvements were made to improve energy efficiency and management. The lease requires 3 initial interest-only payments and 48 quarterly principal and interest payments of \$105,795. The outstanding portion of this lease is reported as a capital lease obligation. The final maturity date is September 26, 2016.

The cost of the assets under capital lease is \$3,699,498 and accumulated depreciation at September 30, 2013 is \$2,565,915. Depreciation expense of assets under capital lease is included in depreciation expense.

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

Future minimum payments under the capital lease as of September 30, 2013 are as follows:

2014	\$ 423,178
2015	423,178
2016	423,178
2017	-
2018	-
	<hr/>
Total minimum payments	1,269,534
	<hr/>
Less amount representing interest	106,544
	<hr/>
Present value of net minimum lease payments	\$ 1,162,990
	<hr/>

The obligation under the capital lease is shown on the statement of net position as follows:

Current portion	\$ 366,912
Long-term portion	796,078
	<hr/>
	\$ 1,162,990
	<hr/>

Note 9 - Retirement plan

The Authority provides retirement benefits for all of its full-time employees through a defined contribution plan administered by the Housing Agency Retirement Trust. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Full-time and part-time employees are eligible to participate after six months of continuous and uninterrupted employment and no longer being in probationary status. The employee may contribute 3 percent and the Authority contributes 3 percent of the participating employee's base salary each month. The Authority's contributions for each employee, and interest allocated to the employee's account, begin vesting after 3 years and are fully vested after 7 years of participation.

The Authority's total payroll during the year ended September 30, 2013 was \$927,251. The Authority's contributions were calculated using the base salary amount of approximately \$351,000. Contributions to the plan by both the employees and the Authority were \$21,046, of which \$3,047 is accrued as of year end and included in accrued expenses on the statement of net position.

Houma-Terrebonne Housing Authority

Notes to Financial Statements
September 30, 2013

Note 10 - Inter-program expenses

The following amounts from the Financial Data Schedules have been eliminated in preparing the basic financial statements:

Property management fees	\$	359,009
Bookkeeping fees		46,110
Asset management fees		62,040

Note 11 - Risk management

The Authority is subject to the normal risks associated with rental and business activities and purchases insurance to protect against the risk of loss.

Note 12 - Federal compliance contingencies

The Authority is subject to possible examinations made by federal regulators who determine compliance with terms, conditions, laws and regulations governing grants given to the Authority in the current and prior years. These examinations may result in required refunds by the Authority to federal grantors and/or program beneficiaries.

Note 13 - Economic dependency

The Authority is economically dependent upon annual contributions and grants from HUD. For the year ended September 30, 2013, HUD provided approximately 50 percent of the Authority's revenue. If the amount of revenues received from HUD falls below critical levels, the Authority's operating results could be adversely affected.

Note 14 - Restricted net position

Restricted net position at September 30, 2013 is comprised of the following:

Cash - insurance proceeds to be used for repairs	\$	577,580
Cash - tenant security deposits		66,975
Investments - restricted		<u>203,979</u>
Total restricted assets		848,534
Tenant security deposits		<u>66,975</u>
Total restricted liabilities		<u>66,975</u>
Total restricted net position	\$	<u><u>781,559</u></u>

Note 15 - Donated property

The Authority received donated property from the Louisiana Land Trust's Road Home Program (donor) to support hurricane victims in the Louisiana area. The donated property consisted of 20 pieces of land located throughout Terrebonne Parish as well as 2 structures. Upon the donation of the property, an agreement was established between the Authority and the donor that set forth specific eligibility requirements that the Authority had to perform. Such requirements included specific repairs to be performed at each of the properties as well as restrictions related to whom the future developed units would be

Houma-Terrebonne Housing Authority

Notes to Financial Statements September 30, 2013

leased. Based on the terms of the agreement, the donation qualified as a non exchange transaction requiring the revenue associated with donation to be deferred and considered unearned until such requirements had been achieved. As of September 30, 2013, none of the eligibility requirements have been met. Unearned revenue related to the donation as of September 30, 2013 was \$437,500.

Note 16 - Legal Settlement Proceeds

The Authority filed suit against a former contractor, The Olympic Group, LLC (Olympic), and its bonding company, Companion Property and Casualty Insurance Company (Companion). The claim related to disputes between the Authority and Olympic over the performance of renovation and modernization construction work at Senator Circle. The Authority and Olympic both terminated the contract, and the Authority made a claim against Companion to honor the performance portion of its construction bond. Olympic and Companion both disputed the claim, and the construction contract was completed by another general contractor.

During the year ended September 30, 2013, the Authority and Companion reached a Settlement Agreement. In accordance with the agreement, Companion paid the Authority \$230,000 to resolve the claim and constitute Companion's full and final performance under the bond. Management currently has no plans to file additional claims against Olympic.

Note 17 - Subsequent events

Events that occur after the statement of net position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed at the statement of net position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about conditions that existed after the statement of net position date require disclosure in the accompanying notes. Management evaluated the activity of the Authority through March 28, 2014 (the date the financial statements were available to be issued) and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

Independent Auditor's Report on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

To the Board of Commissioners
Houma-Terrebonne Housing Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Houma-Terrebonne Housing Authority, which comprise the statement of net position as of September 30, 2013, and the related statements of revenues, expenses, and changes in net position and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated March 28, 2014.

Internal control over financial reporting

In planning and performing our audit of the financial statements, we considered the Houma-Terrebonne Housing Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Houma-Terrebonne Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Houma-Terrebonne Housing Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control, that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Houma-Terrebonne Housing Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to the management of Houma-Terrebonne Housing Authority in a separate letter dated March 28, 2014.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CohnReznick LLP".

Charlotte, North Carolina
March 28, 2014

Independent Auditor's Report on Compliance for the
Major Federal Program and on Internal Control over
Compliance Required by OMB Circular A-133

To the Board of Commissioners
Houma-Terrebonne Housing Authority

Report on Compliance for the Major Federal Program

We have audited the Houma-Terrebonne Housing Authority's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement*, that could have a direct and material effect on Houma-Terrebonne Housing Authority's major federal program for the year ended September 30, 2013. The Houma-Terrebonne Housing Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Houma-Terrebonne Housing Authority's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Houma-Terrebonne Housing Authority's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Houma-Terrebonne Housing Authority's compliance.

Opinion on the Major Federal Program

In our opinion, the Houma-Terrebonne Housing Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended September 30, 2013.

Report on Internal Control over Compliance

Management of the Houma-Terrebonne Housing Authority is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Houma-Terrebonne Housing Authority's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Houma-Terrebonne Housing Authority's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirements of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit the attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of our testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Charlotte, North Carolina
March 28, 2014

Houma-Terrebonne Housing Authority

Schedule of Findings and Questioned Costs
Year Ended September 30, 2013

A. Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified ☐ Yes ☒ No

Significant deficiencies identified not considered to be material weaknesses ☐ Yes ☒ No

Noncompliance material to financial statement noted ☐ Yes ☒ No

Federal Awards:

Internal Control over major programs:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiencies identified not considered to be material weaknesses ☐ Yes ☒ No

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section.510(a) of OMB Circular A-133 ☐ Yes ☒ No

Identification of major programs:

- Low Rent Public Housing (CFDA No. 14.850)

Dollar threshold used to distinguish type A and B programs: \$300,000

Auditee qualified as low-risk auditee ☒ Yes ☐ No

B. Findings - Financial Statements Audit

None

C. Findings and Questioned Costs - Major Federal Award Programs Audit

None

Supplementary Information

Houma-Terrebonne Housing Authority
Financial Data Schedule Summary

Statement of Net Position Accounts
September 30, 2013

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
Assets:							
Current Assets:							
Cash:							
111	Cash - Unrestricted	\$ 486,136	\$ 5,659	\$ 426,064	\$ 917,859	\$ -	\$ 917,859
112	Cash - Restricted - Modernization and Development	577,580	-	-	577,580	-	577,580
114	Cash - Tenant Security Deposits	66,225	750	-	66,975	-	66,975
100	Total Cash	1,129,941	6,409	426,064	1,562,414	-	1,562,414
Accounts and Notes Receivables:							
122.1	Accounts Receivable - HUD Other Projects - Operating Subsidy	1,066	-	-	1,066	-	1,066
122.2	Accounts Receivable - HUD Other Projects - CFP	207,114	-	-	207,114	-	207,114
122	Accounts Receivable - HUD Other Projects	208,180	-	-	208,180	-	208,180
124	Accounts Receivable - Other Government	-	66,806	-	66,806	-	66,806
125	Accounts Receivable - Miscellaneous	1,755	-	-	1,755	-	1,755
126	Accounts Receivable - Tenants - Dwelling Rents	7,976	440	-	8,416	-	8,416
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(128)	(347)	-	(475)	-	(475)
127	Notes and Mortgages Receivable - Current	1,196	-	-	1,196	-	1,196
128	Fraud Recovery	2,889	-	-	2,889	-	2,889
129	Accrued Interest Receivable	97	-	12	109	-	109
120	Total Receivables, Net of Allowances for Doubtful Accounts	221,965	66,899	12	288,876	-	288,876
Current Investments:							
131	Investments - Unrestricted	201,042	-	51,584	252,626	-	252,626
132	Investments - Restricted	203,979	-	-	203,979	-	203,979
142	Prepaid Expenses and Other Assets	149,235	459	3,112	152,806	-	152,806
144	Interprogram Due From	27,530	-	30,182	57,712	(57,712)	-
150	Total Current Assets	1,933,692	73,767	510,954	2,518,413	(57,712)	2,460,701
Non-current Assets:							
Capital Assets:							
161	Land	688,371	349,500	-	1,037,871	-	1,037,871
162	Buildings	39,965,926	238,325	-	40,204,251	-	40,204,251
163	Furniture, Equipment & Machinery - Dwellings	292,430	-	-	292,430	-	292,430
164	Furniture, Equipment & Machinery - Administration	679,700	-	31,591	711,291	-	711,291
166	Accumulated Depreciation	(30,667,567)	(28,338)	(25,585)	(30,721,490)	-	(30,721,490)
168	Infrastructure	795,927	-	-	795,927	-	795,927
160	Total Capital Assets, Net of Accumulated Depreciation	11,754,787	559,487	6,006	12,320,280	-	12,320,280
180	Total Non-current Assets	11,754,787	559,487	6,006	12,320,280	-	12,320,280
190	Total Assets	\$ 13,688,479	\$ 633,254	\$ 516,960	\$ 14,838,693	\$ (57,712)	\$ 14,780,981

Houma-Terrebonne Housing Authority

Financial Data Schedule Summary

Statement of Net Position Accounts September 30, 2013

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
Liabilities and Net Position:							
Liabilities:							
Current Liabilities:							
312	Accounts Payable <= 90 Days	\$ 37,536	\$ -	\$ 5,412	\$ 42,948	\$ -	\$ 42,948
321	Accrued Wage/Payroll Taxes Payable	22,744	-	11,364	34,108	-	34,108
322	Accrued Compensated Absences - Current Portion	19,090	-	8,116	27,206	-	27,206
325	Accrued Interest Payable	703	-	-	703	-	703
341	Tenant Security Deposits	66,225	750	-	66,975	-	66,975
342.1	Deferred Revenue - Operating Subsidy	451	-	-	451	-	451
342.3	Deferred Revenue - Other	5,605	437,500	-	443,105	-	443,105
342	Deferred Revenues	6,056	437,500	-	443,556	-	443,556
343.2	Capital Projects/Mortgage Revenue	366,912	-	-	366,912	-	366,912
343	Current Portion of Long-Term Debt - Capital Projects	366,912	-	-	366,912	-	366,912
345	Other Current Liabilities	26,847	-	-	26,847	-	26,847
346	Accrued Liabilities - Other	59,242	-	198	59,440	-	59,440
347	Interprogram Due To	61	57,651	-	57,712	(57,712)	-
310	Total Current Liabilities	605,416	495,901	25,090	1,126,407	(57,712)	1,068,695
Non-current Liabilities							
351.2	Long-term - Capital Projects	796,078	-	-	796,078	-	796,078
351	Long-Term Debt - Capital Projects	796,078	-	-	796,078	-	796,078
354	Accrued Compensated Absences - Non Current	35,452	-	15,074	50,526	-	50,526
350	Total Non-current Liabilities	831,530	-	15,074	846,604	-	846,604
300	Total Liabilities	1,436,946	495,901	40,164	1,973,011	(57,712)	1,915,299
Net Position							
Equity/Net Position							
508.1	Net investment in capital assets	10,591,797	121,987	6,006	10,719,790	-	10,719,790
511.1	Restricted	781,559	-	-	781,559	-	781,559
512.1	Unrestricted	878,177	15,366	470,790	1,364,333	-	1,364,333
513	Total Equity/ Net Position	12,251,533	137,353	476,796	12,865,682	-	12,865,682
600	Total Liabilities and Equity/ Net Position	\$ 13,688,479	\$ 633,254	\$ 516,960	\$ 14,838,693	\$ (57,712)	\$ 14,780,981

Houma-Terrebonne Housing Authority
Financial Data Schedule Summary

Statement of Revenue, Expenses and Changes in Net Position Accounts
Year Ended September 30, 2013

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
Revenue:							
703	Net Tenant Rental Revenue	\$ 1,337,808	\$ 11,665	\$ -	\$ 1,349,473	\$ -	\$ 1,349,473
704	Tenant Revenue - Other	118,896	210	-	119,106	-	119,106
705	Total Tenant Revenue	1,456,704	11,875	-	1,468,579	-	1,468,579
706	HUD PHA Grants	1,544,187	-	-	1,544,187	-	1,544,187
706.1	Capital Grants	245,476	-	-	245,476	-	245,476
707.1	Management Fee	-	-	359,009	359,009	(359,009)	-
707.2	Asset Management Fee	-	-	62,040	62,040	(62,040)	-
707.3	Book-keeping fee	-	-	46,110	46,110	(46,110)	-
711	Investment Income - Unrestricted	3,873	-	910	4,783	-	4,783
714	Fraud Recovery	3,738	-	-	3,738	-	3,738
715	Other Revenue	74,019	19,746	3,277	97,042	-	97,042
716	Gain/Loss on Sale of Fixed Assets	3,367	(47,023)	660	(42,996)	-	(42,996)
700	Total Revenue	3,331,364	(15,402)	472,006	3,787,968	(467,159)	3,320,809
Expenses:							
Administrative:							
911	Administrative Salaries	53,606	-	242,028	295,634	-	295,634
912	Auditing Fees	29,727	-	8,273	38,000	-	38,000
913	Management Fee	359,009	-	-	359,009	(359,009)	-
913.1	Book-keeping Fee	46,110	-	-	46,110	(46,110)	-
914	Advertising and marketing	6,938	7,275	490	14,703	-	14,703
915	Employee Benefit Contributions - Administrative	12,033	-	75,112	87,145	-	87,145
916	Other Operating - Administrative	72,145	109	33,921	106,175	-	106,175
917	Legal Expense	45,537	-	17,550	63,087	-	63,087
918	Travel	172	-	12,250	12,422	-	12,422
919	Other	8,283	49	41,155	49,487	-	49,487
910	Total Operating - Administrative	633,560	7,433	430,779	1,071,772	(405,119)	666,653
920	Asset Management Fee	62,040	-	-	62,040	(62,040)	-
Tenant Services:							
921	Tenant Services - Salaries	94,181	-	-	94,181	-	94,181
922	Relocation Costs	6,347	-	-	6,347	-	6,347
923	Employee Benefit Contributions - Tenant Services	34,853	-	-	34,853	-	34,853
924	Tenant Services - Other	3,776	6,475	-	10,251	-	10,251
925	Total Tenant Services	139,157	6,475	-	145,632	-	145,632
Utilities:							
931	Water	103,593	-	243	103,836	-	103,836
932	Electricity	479,369	-	1,576	480,945	-	480,945
933	Gas	31,777	-	94	31,871	-	31,871
936	Sewer	111,900	-	268	112,168	-	112,168
930	Total Utilities	726,639	-	2,181	728,820	-	728,820

Houma-Terrebonne Housing Authority

Financial Data Schedule Summary

Statement of Revenue, Expenses and Changes in Net Position Accounts Year Ended September 30, 2013

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
Ordinary Maintenance & Operations:							
941	Ordinary Maintenance & Operations - Labor	321,687	-	-	321,687	-	321,687
942	Ordinary Maintenance & Operations - Materials & Other	152,215	32	1,374	153,621	-	153,621
943.1	Ordinary Maintenance & Operations Contracts - Garbage and Trash Removal	49,658	-	95	49,753	-	49,753
943.2	Ordinary Maintenance & Operations Contracts - Heating & Cooling	73,862	541	-	74,403	-	74,403
943.4	Ordinary Maintenance & Operations Contracts - Elevator Maintenance	33,173	-	-	33,173	-	33,173
943.5	Ordinary Maintenance & Operations Contracts - Landscape & Grounds	1,775	1,750	-	3,525	-	3,525
943.7	Ordinary Maintenance & Operations Contracts - Electrical	11,387	-	-	11,387	-	11,387
943.8	Ordinary Maintenance & Operations Contracts - Plumbing	21,502	-	-	21,502	-	21,502
943.9	Ordinary Maintenance & Operations Contracts - Extermination	17,521	90	30	17,641	-	17,641
943.12	Ordinary Maintenance & Operations Contracts - Misc Contracts	53,903	680	135	54,718	-	54,718
943	Ordinary Maintenance & Operations - Contracts	262,781	3,061	260	266,102	-	266,102
945	Employee Benefit Contributions - Ordinary Maintenance	93,803	-	-	93,803	-	93,803
940	Total Maintenance & Operations	830,486	3,093	1,634	835,213	-	835,213
Protective Services:							
952	Protective Services - Other Contract Costs	93,751	-	-	93,751	-	93,751
953	Protective Services - Other	15,297	-	-	15,297	-	15,297
950	Total Protective Services	109,048	-	-	109,048	-	109,048
Insurance Premiums:							
961.1	Property Insurance	50,554	738	89	51,381	-	51,381
961.2	Liability Insurance	42,744	529	11,654	54,927	-	54,927
961.3	Workmen's Compensation	20,904	-	9,648	30,552	-	30,552
961.4	All Other Insurance	282,085	1,893	1,520	285,498	-	285,498
961	Total Insurance Premiums	396,287	3,160	22,911	422,358	-	422,358
General Expenses:							
962	Other General Expenses	10,436	-	-	10,436	-	10,436
962.1	Compensated Absences	31,986	-	12,583	44,569	-	44,569
964	Bad Debt - Tenant Rents	10,489	347	-	10,836	-	10,836
960	Total Other General Expenses	52,911	347	12,583	65,841	-	65,841

Houma-Terrebonne Housing Authority

Financial Data Schedule Summary

Statement of Revenue, Expenses and Changes in Net Position Accounts Year Ended September 30, 2013

Line Item #	Account Description	Project Totals	Program Totals	Central Office Cost Center	Subtotal	Eliminations	TOTAL
Interest Expense and Amortization Cost:							
967.1	Interest of Mortgage (or Bonds) Payable	75,771	-	-	75,771	-	75,771
967	Total Interest Expense and Amortization Cost	75,771	-	-	75,771	-	75,771
969	Total Operating Expenses	3,025,899	20,508	470,088	3,516,495	(467,159)	3,049,336
970	Excess Revenue Over Operating Expenses	305,465	(35,910)	1,918	271,473	-	271,473
Other Expenses:							
971	Extraordinary Maintenance	17,459	-	-	17,459	-	17,459
972	Casualty Losses - Non-Capitalized	24,395	-	-	24,395	-	24,395
974	Depreciation Expense	1,446,607	6,567	2,235	1,455,409	-	1,455,409
		1,488,461	6,567	2,235	1,497,263	-	1,497,263
900	Total Expenses	4,514,360	27,075	472,323	5,013,758	(467,159)	4,546,599
Other Financing Sources (Uses)							
1001	Operating Transfers In	121,199	-	-	121,199	(121,199)	-
1002	Operating Transfers Out	(121,199)	-	-	(121,199)	121,199	-
1007	Extraordinary Items (net gain/loss)	230,000	-	-	230,000	-	230,000
10093	Transfers Between Programs and Projects - In	125,000	-	-	125,000	(125,000)	-
10094	Transfers Between Programs and Projects - Out	-	-	(125,000)	(125,000)	125,000	-
1010	Total Other Financing Sources (Uses)	355,000	-	(125,000)	230,000	-	230,000
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (827,996)	\$ (42,477)	\$ (125,317)	\$ (995,790)	\$ -	\$ (995,790)
1102	Required Annual Debt Principal Payments	347,407	-	-	347,407	-	347,407
1103	Beginning Equity	13,079,529	179,830	602,113	13,861,472	-	13,861,472
1119	Unit Months Available	5,409	23	-	5,432	-	5,432
1121	Unit Months Leased	5,353	21	-	5,374	-	5,374
1162	Building Purchases	245,476	-	-	245,476	-	245,476
1164	Furniture & Equipment - Admin Purchases	-	-	-	-	-	-

Houma-Terrebonne Housing Authority

Financial Data Schedule Summary

Statement of Net Position Accounts - Projects September 30, 2013

Line Item #	Account Description	Senator Circle LA090-000001	Bayou Towers LA090-000002	Other AMP	Project Totals
Assets:					
Current Assets:					
Cash:					
111	Cash - Unrestricted	\$ 240,700	\$ 245,436	\$ -	\$ 486,136
112	Cash - Restricted - Modernization and Development	577,580	-	-	577,580
114	Cash - Tenant Security Deposits	24,900	41,325	-	66,225
100	Total Cash	843,180	286,761	-	1,129,941
Accounts and Notes Receivables:					
122.1	Accounts Receivable - HUD Other Projects - Operating Subsidy	514	552	-	1,066
122.2	Accounts Receivable - HUD Other Projects - Capital Fund	65,448	141,666	-	207,114
122	Accounts Receivable - HUD Other Projects	65,962	142,218	-	208,180
125	Accounts Receivable - Miscellaneous	1,755	-	-	1,755
126	Accounts Receivable - Tenants - Dwelling Rents	7,504	472	-	7,976
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(128)	-	-	(128)
127	Notes and Mortgages Receivable - Current	1,196	-	-	1,196
128	Fraud Recovery	2,889	-	-	2,889
129	Accrued Interest Receivable	49	48	-	97
120	Total Receivables, Net of Allowances for Doubtful Accounts	79,227	142,738	-	221,965
Current Investments:					
131	Investments - Unrestricted	-	201,042	-	201,042
132	Investments - Restricted	203,979	-	-	203,979
142	Prepaid Expenses and Other Assets	114,853	34,382	-	149,235
144	Interprogram Due From	-	27,530	-	27,530
150	Total Current Assets:	1,241,239	692,453	-	1,933,692
Non-current Assets:					
Fixed Assets:					
161	Land	262,776	345,595	80,000	688,371
162	Buildings	21,707,653	18,258,273	-	39,965,926
163	Furniture, Equipment & Machinery - Dwellings	104,765	187,665	-	292,430
164	Furniture, Equipment & Machinery - Administration	405,034	274,666	-	679,700
166	Accumulated Depreciation	(15,555,323)	(15,112,244)	-	(30,667,567)
168	Infrastructure	634,760	161,167	-	795,927
160	Total Fixed Assets, Net of Accumulated Depreciation	7,559,665	4,115,122	80,000	11,754,787
180	Total Non-current assets	7,559,665	4,115,122	80,000	11,754,787
190	Total Assets	\$ 8,800,904	\$ 4,807,575	\$ 80,000	\$ 13,688,479

Houma-Terrebonne Housing Authority

Financial Data Schedule Summary

Statement of Net Position Accounts - Projects September 30, 2013

Line Item #	Account Description	Senator Circle LA090-000001	Bayou Towers LA090-000002	Other AMP	Project Totals
Liabilities and Net Position:					
Liabilities:					
Current Liabilities:					
312	Accounts Payable < = 90 Days	\$ 23,966	\$ 13,570	\$ -	\$ 37,536
321	Accrued Wage/Payroll Taxes Payable	10,653	12,091	-	22,744
322	Accrued Compensated Absences - Current Portion	8,287	10,803	-	19,090
325	Accrued Interest Payable	121	582	-	703
341	Tenant Security Deposits	24,900	41,325	-	66,225
342.1	Unearned Revenue - Operating Subsidy	217	234	-	451
342.3	Unearned Revenue - Other	4,721	884	-	5,605
342	Unearned Revenues	4,938	1,118	-	6,056
343.2	Capital Projects/Mortgage Revenue	63,329	303,583	-	366,912
343	Current Portion of Long-Term Debt - Capital Projects	63,329	303,583	-	366,912
345	Other Current Liabilities	26,847	-	-	26,847
346	Accrued Liabilities - Other	23,859	35,383	-	59,242
347	Interprogram Due To	-	-	61	61
310	Total Current Liabilities:	186,900	418,455	61	605,416
Non-current liabilities					
351.2	Long-term - Capital Projects	137,403	658,675	-	796,078
351	Long-Term Debt - Capital Projects	137,403	658,675	-	796,078
354	Accrued Compensated Absences - Non Current	15,390	20,062	-	35,452
350	Total Non-current liabilities:	152,793	678,737	-	831,530
300	Total liabilities	339,693	1,097,192	61	1,436,946
Net Position					
508.1	Net investment in capital assets	7,358,933	3,152,864	80,000	10,591,797
511.1	Restricted	781,559	-	-	781,559
512.1	Unrestricted	320,719	557,519	(61)	878,177
513	Total Net Position	8,461,211	3,710,383	79,939	12,251,533
600	Total Liabilities and Net Position	\$ 8,800,904	\$ 4,807,575	\$ 80,000	\$ 13,688,479

Financial Data Schedule Summary

Statement of Revenue, Expenses and Changes in Net Position Accounts - Projects
Year Ended September 30, 2013

Line Item #	Account Description	Senator Circle LA 090-000001			Bayou Towers LA 090-000002			Other AMP		
		AMP Total	Low Rent	CFP	AMP Total	Low Rent	CFP	AMP Total	Low Rent	CFP
Revenue:										
703	Net Tenant Rental Revenue	\$ 446,742	\$ 446,742	\$ -	\$ 891,066	\$ 891,066	\$ -	\$ -	\$ -	\$ 1,337,808
704	Tenant Revenue - Other	102,572	102,572	-	16,324	16,324	-	-	-	118,896
705	Total Tenant Revenue	549,314	549,314	-	907,390	907,390	-	-	-	1,456,704
706	HUD PHA Grants	675,060	642,008	33,052	868,127	718,858	150,269	-	-	1,544,187
706.1	Capital Grants	228,471	-	228,471	19,005	-	19,005	-	-	245,476
711	Investment Income - Unrestricted	2,127	2,127	-	1,746	1,746	-	-	-	3,873
714	Fraud Recovery	3,738	3,738	-	-	-	-	-	-	3,738
715	Other Revenue	14,447	14,447	-	59,572	59,572	-	-	-	74,019
716	Gain/Loss on Sale of Fixed Assets	1,696	1,696	-	1,671	1,671	-	-	-	3,367
700	Total Revenue	1,472,853	1,213,330	259,523	1,858,511	1,689,237	169,274	-	-	3,331,364
Expenses:										
Administrative:										
911	Administrative Salaries	24,625	24,625	-	28,981	28,981	-	-	-	53,606
912	Auditing Fees	13,657	13,657	-	16,070	16,070	-	-	-	29,727
913	Management Fee	127,796	123,043	4,753	231,213	173,844	57,369	-	-	359,069
913.1	Bookkeeping Fee	19,110	19,110	-	27,000	27,000	-	-	-	46,110
914	Advertising and marketing	3,389	3,389	-	3,549	3,549	-	-	-	6,938
915	Employee Benefit Contributions - Administrative	9,568	9,568	-	2,465	2,465	-	-	-	12,033
916	Other Operating - Administrative	34,881	34,881	-	37,264	37,264	-	-	-	72,145
917	Legal Expense	27,550	27,550	-	17,987	17,987	-	-	-	45,537
	Travel	135	135	-	37	37	-	-	-	172
919	Other	5,348	5,348	-	2,935	2,935	-	-	-	8,283
910	Total Operating - Administrative	265,059	261,306	4,753	367,501	310,132	57,369	-	-	633,560
920	Asset Management Fee	26,040	26,040	-	36,000	36,000	-	-	-	62,040
Tenant Services:										
921	Tenant Services - Salaries	39,511	39,511	-	54,670	54,670	-	-	-	94,181
922	Relocation Costs	6,347	6,347	-	-	-	-	-	-	6,347
923	Employee Benefit Contributions - Tenant Services	16,119	16,119	-	18,734	18,734	-	-	-	34,853
924	Tenant Services - Other	2,199	2,199	-	1,577	1,577	-	-	-	3,776
925	Total Tenant Services	64,176	64,176	-	74,981	74,981	-	-	-	139,157

Houma-Terrebonne Housing Authority

Financial Data Schedule Summary

Statement of Revenue, Expenses and Changes in Net Position Accounts - Projects Year Ended September 30, 2013

Line Item #	Account Description	Senator Circle LA 090-000001			Bayou Towers LA 090-000002			Other AMP				
		AMP Total	Low Rent	CFP	AMP Total	Low Rent	CFP	AMP Total	Low Rent	CFP		
Utilities:												
931	Water	60,358	60,358	-	43,235	43,235	-	-	-	103,593		
932	Electricity	198,372	198,372	-	280,997	280,997	-	-	-	479,369		
933	Gas	14,967	14,967	-	16,810	16,810	-	-	-	31,777		
936	Sewer	64,053	64,053	-	47,847	47,847	-	-	-	111,900		
930	Total utilities	337,750	337,750	-	388,889	388,889	-	-	-	726,639		
Ordinary Maintenance & Operation:												
941	Ordinary Maintenance & Operation - Labor	158,144	158,144	-	163,543	163,543	-	-	-	321,687		
942	Ordinary Maintenance & Operation - Materials & Other	65,042	65,042	-	87,173	87,173	-	-	-	152,215		
943.1	Ordinary Maintenance & Operations Contracts - Garbage and Trash Removal	32,700	32,700	-	16,958	16,958	-	-	-	49,658		
943.2	Ordinary Maintenance & Operations Contracts - Heating & Cooling	18,489	18,489	-	55,373	55,373	-	-	-	73,862		
943.4	Ordinary Maintenance & Operations Contracts - Elevator Maintenance	-	-	-	33,173	33,173	-	-	-	33,173		
943.5	Ordinary Maintenance & Operations Contracts - Landscape & Grounds	1,375	1,375	-	400	400	-	-	-	1,775		
943.7	Ordinary Maintenance & Operations Contracts - Electrical	10,156	10,156	-	1,231	1,231	-	-	-	11,387		
943.8	Ordinary Maintenance & Operations Contracts - Plumbing	17,604	17,604	-	3,898	3,898	-	-	-	21,502		
943.9	Ordinary Maintenance & Operations Contracts - Extermination	8,760	8,760	-	8,761	8,761	-	-	-	17,521		
943.12	Ordinary Maintenance & Operations Contracts - Misc Contracts	29,318	29,318	-	24,585	24,585	-	-	-	53,903		
943	Ordinary Maintenance & Operations - Contracts	118,402	118,402	-	144,379	144,379	-	-	-	282,781		
Employee Benefit Contributions - Ordinary Maintenance												
945		49,439	49,439	-	44,364	44,364	-	-	-	93,803		
940	Total Maintenance	391,027	391,027	-	439,459	439,459	-	-	-	830,486		
Protective Services:												
952	Protective Services - Other Contract Costs	-	-	-	93,751	93,751	-	-	-	93,751		
953	Protective Services - Other	-	-	-	15,297	15,297	-	-	-	15,297		
950	Total Protective Services	-	-	-	109,048	109,048	-	-	-	109,048		
Insurance Premiums:												
961.1	Property Insurance	34,620	34,620	-	15,934	15,934	-	-	-	50,554		
961.2	Liability Insurance	19,687	19,687	-	23,057	23,057	-	-	-	42,744		
961.3	Workmen's Compensation	10,293	10,293	-	10,611	10,611	-	-	-	20,904		
961.4	All Other Insurance	223,823	223,823	-	58,262	58,262	-	-	-	282,085		
961	Total Insurance Premiums	288,423	288,423	-	107,864	107,864	-	-	-	396,287		
General Expenses:												
962	Other General Expenses	8,486	8,486	-	1,950	1,950	-	-	-	10,436		
962.1	Compensated absences	17,729	17,729	-	14,257	14,257	-	-	-	31,986		
964	Bad Debt - Tenant Rents	7,599	7,599	-	2,890	2,890	-	-	-	10,489		
960	Total Other General Expenses	33,814	33,814	-	19,097	19,097	-	-	-	52,911		
Interest Expense and Amortization Cost:												
967.1	Interest of Mortgage (or Bonds) Payable	13,078	13,078	-	62,693	62,693	-	-	-	75,771		
967	Total Interest Expense and Amortization Cost	13,078	13,078	-	62,693	62,693	-	-	-	75,771		
969	TOTAL OPERATING EXPENSES	1,420,367	1,415,614	4,753	1,605,532	1,548,163	57,369	-	-	3,025,899		
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	52,486	(202,284)	254,770	252,979	141,074	111,905	-	-	305,465		
Other Expenses:												
971	Extraordinary Maintenance	7,500	7,500	-	9,959	9,959	-	-	-	17,459		
972	Casualty Losses - Non-Capitalized	-	-	-	24,395	24,395	-	-	-	24,395		
974	Depreciation Expense	932,172	888,518	43,654	514,435	498,993	15,442	-	-	1,446,607		
		939,672	896,018	43,654	548,789	533,347	15,442	-	-	1,488,461		
900	Total Expenses	2,360,039	2,311,632	48,407	2,154,321	2,081,510	72,811	-	-	4,514,360		

Houma-Terrebonne Housing Authority

Financial Data Schedule Summary

Statement of Revenue, Expenses and Changes in Net Position Accounts - Projects Year Ended September 30, 2013

Line Item #	Account Description	Senator Circle LA 080-000001			Bayou Towers LA 090-000002			Other AMP			Project Totals
		AMP Total	Low Rent	CFP	AMP Total	Low Rent	CFP	AMP Total	Low Rent	CFP	
		14,850	14,872	14,872	14,850	14,872	14,872	14,850	14,872	14,872	
Other Financing Sources (Uses)											
1001	Operating Transfers In	28,299	28,299	-	92,900	92,900	-	-	-	-	121,199
1002	Operating Transfers Out	(28,299)	-	(28,299)	(92,900)	-	(92,900)	-	-	-	(121,199)
1007	Extraordinary Items (net gain/loss)	230,000	230,000	-	-	-	-	-	-	-	230,000
10093	Transfers Between Programs and Projects - In	50,000	-	-	75,000	75,000	-	-	-	-	125,000
1010	Total Other Financing Sources (Uses)	250,000	308,299	(28,299)	75,000	92,900	(17,900)	-	-	-	355,000
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (607,186)	\$ (790,003)	\$ 182,817	\$ (220,810)	\$ (299,373)	\$ 78,563	\$ -	\$ -	\$ -	\$ (827,996)
1102	Required Annual Debt Principal Payments	59,962	-	-	287,445	-	-	-	-	-	347,407
1103	Beginning Equity	9,068,397	7,512,029	1,556,368	3,931,193	3,498,334	432,859	78,939	(61)	80,000	13,079,529
1104.7	CFP 2005 equity transfer	-	-	-	-	-	-	-	-	-	-
1104.8	CFP 2007 RHF equity transfer	-	-	-	-	-	-	-	-	-	-
1104.9	CFP 2008 RHF equity transfer	-	-	-	-	-	-	-	-	-	-
1104	Prior Period Adjustments, Equity Transfers, and Correction of Errors	-	-	-	-	-	-	-	-	-	-
1119	Unit Months Available	2,042	2,042	-	3,367	3,367	-	-	-	-	5,409
1121	Unit Months Leased	1,986	1,986	-	3,367	3,367	-	-	-	-	5,353
1162	Building Purchases	226,471	-	226,471	19,005	-	19,005	-	-	-	245,476

Houma-Terrebonne Housing Authority

Financial Data Schedule Summary

Statement of Net Position Accounts - Programs September 30, 2013

Line Item #	Account Description	Business Activities	Component Units	FEMA Public Assistance Grant 97.036	Program Totals
Assets:					
Current Assets:					
Cash:					
111	Cash - Unrestricted	\$ -	\$ 5,659	\$ -	\$ 5,659
114	Cash - Tenant Security Deposits	750	-	-	750
100	Total Cash	750	5,659	-	6,409
Accounts and Notes Receivables:					
124	Accounts Receivable - Other Government	-	-	66,806	66,806
126	Accounts Receivable - Tenants - Dwelling Rents	440	-	-	440
126.1	Allowance for Doubtful Accounts - Dwelling Rents	(347)	-	-	(347)
120	Total Receivables, Net of Allowances for Doubtful Accounts	93	-	66,806	66,899
142	Prepaid Expenses and Other Assets	459	-	-	459
150	Total Current Assets	1,302	5,659	66,806	73,767
Non-current Assets:					
Fixed Assets:					
161	Land	349,500	-	-	349,500
162	Buildings	194,075	-	44,250	238,325
166	Accumulated Depreciation	(13,588)	-	(14,750)	(28,338)
160	Total Fixed Assets, Net of Accumulated Depreciation	529,987	-	29,500	559,487
180	Total Non-current assets	529,987	-	29,500	559,487
190	Total Assets	\$ 531,289	\$ 5,659	\$ 96,306	\$ 633,254
Liabilities and Net Position:					
Liabilities:					
Current Liabilities:					
341	Tenant Security Deposits	750	-	-	750
342.3	Unearned Revenue - Other	437,500	-	-	437,500
342	Unearned Revenues	437,500	-	-	437,500
347	Interprogram Due To	28,179	1,942	27,530	57,651
310	Total Current Liabilities	466,429	1,942	27,530	495,901
300	Total Liabilities	466,429	1,942	27,530	495,901
Net Position:					
Contributed Capital:					
508.1	Net investment in capital assets	92,487	-	29,500	121,987
512.1	Unrestricted	(27,627)	3,717	39,276	15,366
513	Total Net Position	64,860	3,717	68,776	137,353
600	Total Liabilities and Net Position	\$ 531,289	\$ 5,659	\$ 96,306	\$ 633,254

Houma-Terrebonne Housing Authority

Financial Data Schedule Summary

Statement of Revenue, Expenses and Changes in Net Position Accounts - Programs Year Ended September 30, 2013

Line Item #	Account Description	Business Activities	Component Units	FEMA Public Assistance Grant 97.036	Program Totals
Revenue:					
703	Net Tenant Rental Revenue	\$ 11,665	\$ -	\$ -	\$ 11,665
704	Tenant Revenue - Other	210	-	-	210
705	Total Tenant Revenue	11,875	-	-	11,875
715	Other Revenue	179	19,567	-	19,746
716	Gain/Loss on Sale of Fixed Assets	(47,023)	-	-	(47,023)
700	Total Revenue	(34,969)	19,567	-	(15,402)
Expenses:					
Administrative:					
914	Advertising and marketing	-	7,275	-	7,275
916	Other Operating - Administrative	-	109	-	109
919	Other	-	49	-	49
910	Total Operating - Administrative	-	7,433	-	7,433
924	Tenant Services - Other	-	6,475	-	6,475
925	Total Tenant Services	-	6,475	-	6,475
Ordinary Maintenance & Operation:					
942	Ordinary Maintenance & Operation - Materials & Other	32	-	-	32
943.2	Ordinary Maintenance & Operations Contracts - Heating & Cooling	541	-	-	541
943.5	Ordinary Maintenance & Operations Contracts - Landscape & Grounds	1,750	-	-	1,750
943.9	Ordinary Maintenance & Operations Contracts - Extermination	90	-	-	90
943.12	Ordinary Maintenance & Operations Contracts - Misc Contracts	680	-	-	680
943	Ordinary Maintenance & Operations - Contracts	3,061	-	-	3,061
940	Total Maintenance	3,093	-	-	3,093
Insurance Premiums:					
961.1	Property Insurance	738	-	-	738
961.2	Liability Insurance	529	-	-	529
961.4	All Other Insurance	1,893	-	-	1,893
961	Total Insurance Premiums	3,160	-	-	3,160
General Expenses:					
964	Bad Debt - Tenant Rents	347	-	-	347
960	Total Other General Expenses	347	-	-	347
969	TOTAL OPERATING EXPENSES	6,600	13,908	-	20,508
970	EXCESS OPERATING REVENUE OVER OPERATING EXPENSES	(41,569)	5,659	-	(35,910)
Other Expenses:					
974	Depreciation Expense	3,617	-	2,950	6,567
		3,617	-	2,950	6,567
900	Total Expenses	10,217	13,908	2,950	27,075
1000	Excess (Deficiency) of Total Revenue Over (Under) Total Expenses	\$ (45,186)	\$ 5,659	\$ (2,950)	\$ (42,477)
1103	Beginning Equity	110,046	(1,942)	71,726	179,830
1119	Unit Months Available	23	-	-	23
1121	Unit Months Leased	21	-	-	21

Houma-Terrebonne Housing Authority

Schedule of Expenditures of Federal Awards Year Ended September 30, 2013

<u>Federal Grantor/Program or Cluster Title</u>	<u>Federal CFDA #</u>	<u>Pass-Through Grantor's Identifying Number</u>	<u>Expenditures</u>
DIRECT AWARDS			
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT:			
Operating Subsidy	14.850		\$ 1,360,866
Capital Fund Program	14.872		<u>428,797</u>
TOTAL FEDERAL AWARDS			<u>\$ 1,789,663</u>

Note: The accompanying schedule of expenditures of federal awards includes the federal grant activity for Houma-Terrebonne Housing Authority and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Houma-Terrebonne Housing Authority

Public Housing Budget Vs. Actual Comparison Year Ended September 30, 2013

	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Net tenant rental revenue	\$ 1,336,990	\$ 1,337,808	\$ 818
Tenant revenue - other	108,920	118,896	9,976
HUD PHA grants	1,531,080	1,544,187	13,107
HUD capital grants	207,270	245,476	38,206
Investment income - unrestricted	2,280	3,873	1,593
Gain or loss on sale of fixed assets	-	3,367	3,367
Fraud recovery	1,410	3,738	2,328
Other revenue	80,230	74,019	(6,211)
Extraordinary Items (Settlement Proceeds)	230,000	230,000	-
Total Revenues	<u>3,498,180</u>	<u>3,561,364</u>	<u>63,184</u>
Operating Expenses:			
Administrative	626,910	633,560	(6,650)
Asset management fees	62,040	62,040	-
Tenant services	140,580	139,157	1,423
Utilities	702,890	726,639	(23,749)
Ordinary maintenance and operation	846,040	830,486	15,554
Protective services	110,590	109,048	1,542
Insurance	403,370	396,287	7,083
General expenses	13,570	52,911	(39,341)
Extraordinary maintenance	17,460	17,459	1
Casualty loss - non-capitalized	24,400	24,395	5
Debt service payments (principal and interest)	422,480	423,179	(699)
Capital expenditures	241,490	268,774	(27,284)
Total Operating Expenses Before Depreciation	<u>3,611,820</u>	<u>3,683,935</u>	<u>(72,115)</u>
Net Operating Income Before Depreciation	<u>\$ (113,640)</u>	<u>(122,571)</u>	<u>\$ (8,931)</u>
Depreciation Expense Not Budgeted		<u>1,446,607</u>	
Net Operating Loss After Depreciation		<u>\$ (1,569,178)</u>	

Houma-Terrebonne Housing Authority

Schedule of Capital Fund Costs - Uncompleted Year Ended September 30, 2013

Grant Number	LA48D090501-08	LA48P090501-09	LA48P090501-10	LA48P090501-11	LA48P090501-12	LA48P090501-13	
Program	2008 (Disaster)	2009 (RHF)	2010	2011	2012	2013	Total
Funds approved	\$ 3,682,803	\$ 119,860	\$ 863,155	\$ 689,524	\$ 621,196	\$ 539,117	\$ 10,253,984
Funds expended	3,682,803	6,386	837,280	342,598	119,962	82,960	8,810,318
Excess of funds approved	\$ -	\$ 113,474	\$ 25,875	\$ 346,926	\$ 501,234	\$ 456,157	\$ 1,443,666
Funds advanced	\$ 3,678,439	\$ -	\$ 831,635	\$ 315,751	\$ 39,050	\$ -	\$ 8,603,204
Funds expended	3,682,803	6,386	837,280	342,598	119,962	82,960	8,810,318
Excess funds advanced (expended)	\$ (4,364)	\$ (6,386)	\$ (5,645)	\$ (26,847)	\$ (80,912)	\$ (82,960)	\$ (207,114)

Houma-Terrebonne Housing Authority

Certification of Actual Modernization Costs and Advances - Capital Fund Program Year Ended September 30, 2013

Grant Numbers	LA48P090501-08	LA48S090501-09
Program	2008	2009 (ARRA)
Budget	<u>\$ 885,059</u>	<u>\$ 1,258,993</u>
Advances	\$ 885,059	\$ 1,243,695
Program Income - Interest	<u>-</u>	<u>-</u>
	885,059	1,243,695
Costs	<u>885,059</u>	<u>1,243,695</u>
Excess/(Deficiency) of Advances Due To/ (From) HUD	<u>\$ -</u>	<u>\$ -</u>
The Actual Modernization Cost Certificate is in agreement with the Authority's records	<u>Yes</u>	<u>Yes</u>
All modernization work in connection with the grant have been completed	<u>Yes</u>	<u>Yes</u>
All liabilities have been paid and there are no undischarged mechanics', laborers' contractors' or material-men's liens against the Project on file in any public office where the same should be filed in order to be valid. The time in which such liens could be filed has expired.	<u>Yes</u>	<u>Yes</u>
There were no budget overruns.	<u>Yes</u>	<u>Yes</u>

To the Board of Directors and Management
Houma-Terrebonne Housing Authority

In planning and performing our audit of the financial statements of Houma-Terrebonne Housing Authority as of and for the year ended September 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered Houma-Terrebonne Housing Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Houma-Terrebonne Housing Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Houma-Terrebonne Housing Authority's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore material weaknesses or significant deficiencies may exist that were not identified. Appendix A summarizes our comments and suggestions concerning these matters. We did not identify any deficiencies in internal control that we considered to be material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we do not consider to be significant deficiencies or material weaknesses, but matters that are opportunities for strengthening internal controls and operating efficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

During our audit, we became aware of the deficiencies in internal control other than significant deficiencies or material weaknesses, and other matters that are opportunities for strengthening internal controls and operating efficiency. Appendix A summarizes our comments and suggestions concerning these matters.

This communication is intended solely for the information and use of management Houma-Terrebonne Housing Authority, and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

CohnReznick LLP

Charlotte, North Carolina
March 28, 2014

Appendix A

2013-1) Lease File Issues

Condition:

For 1 lease file out of 25 tested, there existed no evidence that income was verified by a third party.

For 1 lease file out of 25 tested, there existed no evidence of a household member's social security number.

Criteria:

A condition of admission or continued occupancy requires the tenant and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility (24 CFR sections 5.230, 5.609, and 960.259).

For both family income examinations and reexaminations, the Authority's procedures include obtain and document in the family file, third-party verification of: (1) reported family annual income; (2) the value of assets; (3) expenses related to deductions from annual income; and (4) other factors that affect the determination of adjusted income or income-based rent (24 CFR section 960.259).

Cause of Condition:

Documentation of income verification and social security number were not retained in tenant lease file.

Effect of Condition:

There exists no documentation to validate tenant's eligibility.

Recommendation:

The Authority should ensure all lease files contain required documentation.

Management Response:

Management will improve internal controls to ensure all lease files contain required documentation.